

## **MINUTES**

### **MONTANA SENATE 61st LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** Chairman Jeff Essmann, on January 29, 2009 at 8:00 A.M., in Room 405 Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. Jeff Essmann, Chairman (R)  
Sen. Taylor Brown, Vice Chairman (R)  
Sen. Jerry W. Black (R)  
Sen. Gary Branae (D)  
Sen. Ron Erickson (D)  
Sen. Kelly Gebhardt (R)  
Sen. Kim Gillan (D)  
Sen. Bradley Hamlett (D)  
Sen. Christine Kaufmann (D)  
Sen. Bruce Tutvedt (R)

**Members Excused:** Sen. Bob Story Jr. (R)

**Members Absent:** None.

**Staff Present:** Lee Heiman, Legislative Branch  
Debra Polhemus, Committee Secretary

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

**Committee Business Summary:**

Hearing & Date Posted: SB 259, 1/21/2009; SB 277,  
1/23/2009

Executive Action: SB 28 TABLED; SB 210 TABLED  
SB 218 TABLED; SB 12 TABLED  
SB 132 DO PASS AS AMENDED  
SB 198 POSTPONED ACTION

**EXECUTIVE ACTION ON SB 28**

00:01:04 **Motion:** Sen. Tutvedt moved that **SB 28 DO PASS.**

**Discussion:**

00:01:26 Sen. Gebhardt

00:03:20 Sen. Kaufmann

00:04:49 Lee Heiman

00:04:58 Sen. Gillan

00:05:46 Sen. Erickson

00:06:49 Sen. Brown

00:07:02 **Substitute Motion/Vote:** Sen. Brown made a substitute motion that **SB 28 BE TABLED**. Substitute motion carried unanimously by voice vote with Sen. Story voting by proxy.

**EXECUTIVE ACTION ON SB 198**

00:08:52 **Motion:** Sen. Black moved that **SB 198 DO PASS.**

00:09:14 **Motion:** Sen. Gebhardt moved that **SB 198 BE AMENDED.**  
**EXHIBIT**(tas21a01)

**Discussion:**

00:09:47 Chairman Essmann

00:10:32 Sen. Kaufmann

00:11:56 Chairman Essmann

00:12:19 **Substitute Motion:** Sen. Essmann made a substitute motion that **SB 198 BE AMENDED WITH A CONCEPTUAL AMENDMENT.**

**Discussion:**

00:13:17 Sen. Kaufmann

00:13:24 Sen. Erickson

00:13:59 Chairman withdrew his motion to amend SB 198 with a conceptual amendment.

00:14:13 Sen. Gebhardt withdrew his motion to amend SB 198.

00:14:20 Sen. Black withdrew his motion, do pass SB 198.

00:14:27 Sen. Tutvedt

**EXECUTIVE ACTION ON SB 210**

00:15:18 **Motion:** Sen. Erickson moved that **SB 210 DO PASS.**

**Discussion:**

00:15:25 Sen. Erickson  
 00:16:07 Sen. Brown  
 00:16:22 Chairman Essmann  
 00:16:44 Sen. Tutvedt  
 00:17:32 Sen. Gillan  
 00:18:15 Sen. Gebhardt  
 00:19:57 Sen. Erickson  
 00:20:55 Lee Heiman, Legislative Services Division (LSD)  
 00:21:26 Sen. Erickson  
 00:21:36 Sen. Brown  
 00:21:51 Sen. Gebhardt  
 00:22:08 Sen. Gillan  
 00:23:02 Chairman Essmann  
 00:23:16 Sen. Hamlett  
  
 00:23:27 **Substitute Motion/Vote:** Sen. Gebhardt made a substitute motion that **SB 210 BE TABLED**. Substitute motion carried 8-3 by voice vote with Sens. Kaufmann, Erickson and Hamlett voting no and Sen. Story voting by proxy.  
  
 00:24:27 Sen. Black  
 00:24:51 Chairman Essmann

**EXECUTIVE ACTION ON SB 218**

00:25:45 **Motion:** Sen. Gebhardt moved that **SB 218 DO PASS.**

00:26:17 **Motion:** Sen. Gebhardt moved that **SB 218 BE AMENDED**.  
[\*\*EXHIBIT\*\*](#)(tas21a02)

**Discussion:**

00:26:56 Chairman Essmann  
 00:27:14 Sen. Gebhardt  
  
 00:27:31 **Vote:** Motion carried unanimously by voice vote with Sen. Story voting by proxy.  
  
 00:27:59 **Motion:** Sen. Gebhardt moved that **SB 218 DO PASS AS AMENDED.**

**Discussion:**

00:28:02 Sen. Gillan  
 00:28:30 Lee Heiman, LSD  
 00:28:49 Sen. Gillan  
 00:29:09 Sen. Tutvedt  
 00:29:47 Sen. Kaufmann  
 00:30:39 Sen. Gebhardt  
 00:31:00 Sen. Brown

00:31:37 **Substitute Motion/Vote:** Sen. Brown made a substitute motion that **SB 218 BE TABLED**. Substitute motion carried 9-2 by voice vote with Sens. Gebhardt and Hamlett voting no and Sen. Story voting by proxy.

00:32:43 Sen. Story arrived at committee meeting

**EXECUTIVE ACTION ON SB 132**

00:32:51 **Motion:** Sen. Gebhardt moved that **SB 132 DO PASS**.

00:33:20 **Motion:** Sen. Gebhardt moved that **SB 132 BE AMENDED**.  
**EXHIBIT**(tas21a03)

**Discussion:**

00:35:32 Lee Heiman, LSD  
 00:35:56 Chairman Essmann  
 00:36:29 Sen. Kaufmann  
 00:36:42 Lee Heiman

00:36:53 **Vote:** Motion carried unanimously by voice vote.

00:37:11 **Motion/Vote:** Sen. Gebhardt moved that **SB 132 DO PASS AS AMENDED**. Motion carried unanimously by voice vote.

**EXECUTIVE ACTION ON SB 12**

00:38:36 **Motion:** Sen. Gebhardt moved that **SB 12 DO PASS**.

**Discussion:**

00:39:35 Sen. Story  
 00:40:21 Sen. Gebhardt  
 00:41:30 Sen. Erickson  
 00:42:25 Sen. Gillan  
 00:43:53 Sen. Brown  
 00:44:23 Sen. Erickson  
 00:45:05 Terry Johnson, Legislative Fiscal Division (LFD)

**Discussion: (Con't)**

00:47:04 Sen. Gebhardt

00:47:37 Sen. Story

00:48:51 Sen. Black

00:49:35 Sen. Kaufmann

00:50:33 **Substitute Motion/Vote:** Sen. Kaufmann made a substitute motion that **SB 12 BE TABLED**. Substitute motion carried 7-4 by roll call vote with Sens. Black, Brown, Gebhardt, and Hamlett voting no.

00:51:46 Sen. Gillan

00:51:59 Chairman Essmann left the committee hearing and Vice Chair Brown assumed the Chair.

00:52:35 Recess

01:00:10 Reconvene

**HEARING ON SB 277**

**Opening Statement by Sponsor:**

01:00:28 Sen. Christine Kaufmann (D), SD 41, opened the hearing on SB 277, Box store tax.

**Proponents' Testimony:**

01:14:47 Bob Decker, The Policy Institute, Helena

01:21:19 Tara Veazey, representing Montana Budget and Policy Center (MBPC)

01:21:39 Jamee Greer, representing Montana Human Rights Network

01:22:06 Judy Smith, self

**Opponents' Testimony:**

01:23:34 Brad Griffin, representing Montana Retail Association  
also speaking for Mary Whittinghill, Montana Taxpayers  
Association and Simkins Hallin Lumber Co.

**EXHIBIT (tas21a04)**

01:28:13 Jon Bennion, representing Montana Chamber of Commerce  
01:31:12 Doug Nulle, retired attorney, Clancy  
01:34:10 Bruce Spencer, representing Montana Automobile Dealers  
Association (MADA)  
01:37:48 Ronda Wiggers, representing Great Falls and Helena  
Chamber of Commerces  
01:40:10 Riley Johnson, representing National Federation of  
Independent Businesses (NFIB)  
01:41:10 Tom Ebzery, attorney, Billings representing COSTCO

**EXHIBIT (tas21a05)**

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

01:45:46 Sen. Erickson  
01:46:18 Jon Bennion  
01:46:45 Sen. Erickson  
01:49:13 Sen. Kaufmann  
01:49:52 Sen. Gebhardt  
01:50:27 Sen. Kaufmann  
01:51:51 Sen. Hamlett  
01:52:36 Jon Bennion  
01:53:14 Chairman Brown  
01:53:39 Jon Bennion

**Closing by Sponsor:**

01:55:05 Sen. Kaufmann  
  
02:00:17 Recess  
  
02:05:25 Reconvene

**HEARING ON SB 259**

**Opening Statement by Sponsor:**

02:05:39 Sen. Christine Kaufmann (D), SD 41, opened the hearing  
on SB 259, Earned income tax credit.

**Proponents' Testimony:**

02:10:17 Bob Decker, The Policy Institute, Helena

**EXHIBIT(tas21a06)**

02:17:32 Rep. Julie French, HD 36 on behalf of the Montana  
Democratic Womens Caucus

02:19:23 Sen. Carol Juneau, SD 8

02:22:35 Tara Veazey, MBPC

**EXHIBIT(tas21a07)**

02:26:01 Heather Keller, Great Falls

02:28:38 Judy Smith, speaking for Montana Women Vote

02:32:14 Ray Peck, representing Montana Association of Churches

**EXHIBIT(tas21a08)**

02:37:18 Kim Abbott, Board Member, Working for Equality and  
Economic Liberation (WEEL)

02:38:53 Kristina Davis, representing Montana Children's Defense  
Fund

02:41:21 Jamee Greer, representing Montana Human Rights Network

02:42:20 Clyde Dailey, representing Montana Credit Union Network

02:42:59 Andy Heiman, representing AARP

02:43:29 Tom Jacobson, Executive Director, Rule Dynamics, Inc.  
(formerly Consumer Counseling, Inc.)

02:45:57 Peter Bovingdon, Montana Legal Services

02:47:49 Judy Reel, representing Montana Coalition Against  
Domestic and Sexual Violence (MCADSV)

02:48:14 Ronda Wiggers, representing Helena Chamber of Commerce

**Opponents' Testimony:**

**EXHIBIT(tas21a09)**

Written testimony provided by David Ewer, Budget  
Director, Budget and Program Planning, Office of the  
Governor

**Informational Testimony:** None

**Questions from Committee Members and Responses:**

02:50:28 Sen. Gebhardt

02:52:34 Sen. Kaufmann

02:53:32 Sen. Tutvedt

02:53:56 Sen. Kaufmann

02:56:11 Chairman Brown

02:57:13 Bob Decker

02:58:08 Sen. Kaufmann

**Closing by Sponsor:**

02:59:04 Sen. Kaufmann

**ADJOURNMENT**

Adjournment: 11:10 A.M.

---

Debra Polhemus, Secretary

dp

Additional Documents:

**EXHIBIT ([tas21aad.pdf](#))**